

E-FILED ON APRIL 18, 2006

Annette W. Jarvis, Utah Bar No. 1649
RAY QUINNEY & NEBEKER P.C.
36 South State Street, Suite 1400
P.O. Box 45385
Salt Lake City, Utah 84145-0385
Telephone: (801) 532-1500
Facsimile: (801) 532-7543
Email: ajarvis@rqn.com

and

Lenard E. Schwartz
Nevada Bar No. 0399
Jeanette E. McPherson
Nevada Bar No. 5423
Schwartz & McPherson Law Firm
2850 South Jones Boulevard, Suite 1
Las Vegas, Nevada 89146-5308
Telephone: (702) 228-7590
Facsimile: (702) 892-0122
E-Mail: bkfilings@s-mlaw.com
Attorneys for Debtors

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

USA COMMERCIAL MORTGAGE
COMPANY,

Debtor.

Case Nos. BK-S-06-10725 LBR

Chapter 11

**APPLICATION BY DEBTOR AND
DEBTOR-IN-POSSESSION FOR
AUTHORIZATION TO RETAIN AND
EMPLOY SCHWARTZER &
McPHERSON LAW FIRM AS COUNSEL
UNDER GENERAL RETAINER**

Date:

Time:

SCHWARTZER & MCPHERSON LAW FIRM
2850 South Jones Boulevard, Suite 1
Las Vegas, Nevada 89146-5308
Tel: (702) 228-7590 · Fax: (702) 892-0122

1 The Application of USA COMMERCIAL MORTGAGE COMPANY, USA CAPITAL
 2 REALTY ADVISORS, LLC, USA DIVERSIFIED TRUST DEED FUND, LLC, USA CAPITAL
 3 FIRST TRUST DEED FUND, LLC, and USA SECURITIES, LLC ("Debtor") to retain and
 4 employ the Schwartzer & McPherson Law Firm as counsel under general retainer represents:

5 1. The Debtor filed a petition for relief under Chapter 11 of the Bankruptcy Code on
 6 April 13, 2006.

7 2. Debtor wishes to employ Lenard E. Schwartzer and the Schwartzer & McPherson
 8 Law Firm (the "Firm") as its counsel herein.

9 3. Debtor has selected the Firm for the reason that it has considerable experience in
 10 matters of the character for which it will be retained, and believes the Firm is well qualified to
 11 represent it in this proceeding.

12 4. Debtor desires to employ the Firm as its counsel at the expense of the estate to
 13 advise the Debtor generally concerning the rights, duties and obligations of a Debtor under the
 14 Bankruptcy Code, the Rules of Bankruptcy Procedure and the Orders of this Court, as well as to
 15 do all of those things which may, from time to time, be necessary to aid the Debtor in the
 16 prosecution of this case, and if necessary, give advice, aid and litigate nonbankruptcy matters.

17 5. Debtor proposes to retain the Firm on the following basis: the Schwartzer &
 18 McPherson Law Firm will, pursuant to Bankruptcy Code Sections 330 and 331, petition the Court
 19 for an allowance of fees not more frequently than every 120 days, which petition will be heard
 20 upon prior notice to creditors and other interested parties, and will accept such other fees as may
 21 be awarded by the Court. The Firm expects that its compensation will be based upon a
 22 combination of factors, including without limitation, experience of counsel, time expended, results
 23 achieved, difficulty of matters undertaken and the Firm's hourly rates billed at the rate of \$425 for
 24 Lenard E. Schwartzer and various hourly rates for other counsel and support staff within the Firm
 25 as set forth in **Exhibit A** to the Declaration of Lenard E. Schwartzer, Esq. The Firm will not seek
 26 to raise the rates of any member of the Firm for a minimum of six (6) months after the date of the
 27 entry of the order approving its employment. The Firm reserves the right to seek an increase in
 28 hourly rates in accord with the U.S. Trustee's Guideline on this matter.

6. The Firm has no connections with parties in interest in this case and the Debtor does not believe the Firm represents any interest which would be adverse to it or the bankruptcy estate, and its employment would be in the best interests of the estate. This application is accompanied by the Declaration of Lenard E. Schwartz, Esq. of the Schwartz & McPherson Law Firm and it sets forth the Firm's connections with the Debtor, creditors, and other parties in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee. **Exhibit B** of the Declaration of Lenard E. Schwartz, Esq. sets forth names reviewed to identify any connection or relationship.

7. The Firm has received a retainer of \$75,000. The retainer will apply to a total of five bankruptcies to be filed simultaneously. The Firm, upon information and belief, is not aware of any conflicts among the Debtor entities.

Wherefore, Debtor prays for an Order of this Court authorizing it to retain and employ Lenard E. Schwartz and the Schwartz & McPherson Law Firm as counsel herein under a general retainer, with the payment of fees subject to continuing review and approval of this Court, and that it have such other and further relief as is just.

DATED: April ____, 2006.

USA COMMERCIAL MORTGAGE COMPANY
USA CAPITAL REALTY ADVISORS, LLC
USA DIVERSIFIED TRUST DEED FUND, LLC
USA CAPITAL FIRST TRUST DEED FUND, LLC
USA SECURITIES, LLC

By 

Thomas J. Allison
Chief Restructuring Officer

Prepared by 

Lenard E. Schwartz, Esq.
Schwartz & McPherson Law Firm
2850 South Jones Blvd., Suite 1
Las Vegas NV 89146
Proposed Attorneys for Debtor

SCHWARTZ & MCPHERSON LAW FIRM

2850 South Jones Boulevard, Suite 1

Las Vegas, Nevada 89146-5308

Tel: (702) 228-7590 · Fax: (702) 892-0122